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**SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
THIBODAUX, LOUISIANA**

Financial Report

(With Accountant's Compliance Report Thereof)

Year Ended December 31, 1995

under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Bayou Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9-28-96

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SOUTH LOUISIANA
ECONOMIC COUNCIL

**SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
THIBODAX, LOUISIANA**

Financial Report

(With Accountant's Compilation Report Thereon)

Year Ended December 31, 1995

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
TRIBOGAUX, LOUISIANA
Financial Report
Year Ended December 31, 1999

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Bergeron & Company

--- CERTIFIED PUBLIC ACCOUNTANTS ---
A PROFESSIONAL CORPORATION

CLARENCE E. BERGERON, CPA
THOMAS J. LANGRISH, CPA

To the Board of Directors
South Louisiana Economic Council, Inc.
Thibodaux, Louisiana

We have compiled the accompanying balance sheet of the South Louisiana Economic Council (a not-for-profit corporation) as of December 31, 1990 and the related statements of support, revenues and expenses and changes in fund balance and cash flows for the year then ended, and the accompanying supplementary information contained in Schedule I, which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplementary schedule and, accordingly, do not express any opinion or any other form of assurance on them.

Bergeron + Company

June 20, 1990

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
THIBODAUX, LOUISIANA

Balance Sheet

December 31, 1995

[See Accountant's Compilation Report]

ASSETS

CURRENT ASSETS

Cash	\$ 111,004	
Prepaid auto loans	<u>6,172</u>	
Total current assets		\$ 117,176

PROPERTY AND EQUIPMENT

Office furniture and equipment	51,141	
Leasehold improvements	<u>1,000</u>	
Total property and equipment	52,141	
Less accumulated depreciation	<u>(24,965)</u>	
Net property and equipment		28,176

OTHER ASSETS

Prepaid auto loans	4,000	
Other	<u>600</u>	
		<u>4,600</u>
Total assets		<u>\$ 150,581</u>

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

Accounts and payroll taxes payable	\$ 5,227	
Total current liabilities		\$ 5,227

FUND BALANCE

		<u>145,354</u>
Total liabilities and fund balance		<u>\$ 150,581</u>

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
THIBODAUX, LOUISIANA

Statement of Support, Revenues, Expenses and Changes in Fund Balance
 Year Ended December 31, 1995
 (See Accountant's Compilation Report)

SUPPORT AND REVENUES:

Governmental grants	\$	188,000	
Private donations		58,500	
Seminars and conference sponsorship support		12,754	
Use of contributed facility		8,100	
Interest income		3,127	
Other revenues		325	
Total support and revenue		341,000	\$ 341,000

EXPENSES:

Economic development			
Automobile expenses		2,890	
Depreciation		13,885	
Dues and subscriptions		2,614	
Insurance		2,780	
Meeting expense		4,815	
Office expense		415	
Personnel expense		48,600	
Professional fees		2,215	
Rent expense for contributed facility		4,914	
Seminars/conference sponsorship		18,454	
Teletext production and advertising		18,517	
Telephone		2,927	
Training programs		3,934	
Travel		18,515	
Allocated overhead		7,369	
Total economic development expenses			150,500
General and administrative expenses		65,190	
Total operating expenses			215,700
Excess of support and revenues over expenses before non-functional activities			25,000

NON-FUNCTIONAL ACTIVITIES:

Income		1,914	
Expenses		(2,412)	(598)
Excess of revenues over expenditures			24,402

FUND BALANCE:

Beginning of year			123,800
End of year			\$ 148,202

See notes to financial statements.

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
 THIBODAUX, LOUISIANA
 Statement of Cash Flows
 Year Ended December 31, 1995
 (See Accountant's Compilation Report)

CASH FLOWS FROM OPERATING ACTIVITIES

Excess of support and revenues over expenses		\$ 24,482
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	\$ 16,016	
Increase in prepaid auto lease	(10,795)	
Decrease in accounts and payroll taxes payable	<u>(200)</u>	
Total adjustments		<u>5,021</u>
Cash flows from operating activities		29,483

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of property and equipment		<u>(13,261)</u>
Cash flows used in investing activities		<u>(13,261)</u>
Net increase in cash		16,122
Cash at beginning of year		<u>94,852</u>
Cash at end of year		<u>\$ 111,004</u>

**SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
THIBODAUX, LOUISIANA**

Notes to Financial Statement

(See Accountant's Compilation Report)

Note 1) NATURE OF ACTIVITIES

The South Louisiana Economic Council, Inc. (the Council) was organized on March 30, 1984, as a non-profit organization to encourage economic development in the four parish area of Assumption, Lafourche, St. Mary and Terrebonne. The objective of the Council is to spur economic growth by encouraging existing local industry to expand and to entice industry from out-of-state to locate in the region. The Council is supported primarily through a grant from the Louisiana Department of Rural Development and grants from the local governments within the four-parish area it serves. Governmental grants comprised approximately 66% of total revenue and support for the year ended December 31, 1985. The Council also receives donations from businesses located within the four-parish area.

Note 2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies:

- a) Basis of Accounting. The Council uses the accrual basis of accounting for revenues and expenses. Revenues are recognized when earned and expenses are recognized in the period benefited.

- b) Property and Equipment. Property and equipment are recorded at historical cost and are depreciated or amortized using the straight-line and declining balance methods over their estimated useful lives as follows:

Office equipment	3 - 7 years
Leasehold improvements	10 years
Automobile	5 years

Expenditures for renewals and betterments are capitalized and expenditures for ordinary maintenance and repairs are expensed as incurred. The cost and accumulated depreciation applicable to assets retired or sold, if any, are removed from the respective accounts and gains or losses thereon are included in operations.

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
THIBODAUX, LOUISIANA

Notes to Financial Statements, Continued

(See Accountant's Compilation Report)

Depreciation expense was \$90,010 for the year ended December 31, 1995, all of which was charged to operations.

- c) Accumulated Vacation and Sick Leave. Vacation and sick leave do not carryover to future years. Vacation and sick leave earned and available are insignificant to the financial statements.
- d) Income Taxes. The Council is a non-profit organization and is exempt from income taxes under Section 501(c)(2) of the Internal Revenue Code of 1986, as amended. Therefore, no provisions for income taxes have been made.
- e) Cash Flows. For purposes of the statements of cash flows, short-term investments having original maturities of three months or less when purchased are considered to be cash equivalents. The Council did not have any cash equivalents at December 31, 1995.

Note 3) ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Note 4) FUNDING

The Council receives funding primarily through grants from local and state governments and corporations, and from corporate and governmental sponsorships for economic development seminars hosted by the Council.

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
THIBODAOX, LOUISIANA

Notes to Financial Statements, Continued

(See Accountant's Compilation Report)

Grants were received from the following governmental sources during the year:

Governmental grants:

State of Louisiana - (Department of Rural Development)	\$ 100,000
Terrebonne Parish Consolidated Government	25,000
St. Mary Parish	25,000
Assumption Parish	5,000
Greater Lafourche Port Commission	5,000
Total governmental grants	<u>\$ 160,000</u>

Note 5) ALLOCATION OF EXPENSES

The cost of providing various activities have been summarized on a functional basis in the statement of support, revenues, expenses and changes in fund balance. Accordingly, certain costs have been allocated among the programs and activities benefited.

Note 6) CONTRIBUTED FACILITY

The Council received an in-kind contribution, estimated by management to amount to approximately \$0,100 annually, for office space rentals during the year from Nicholls State University at no cost to the Council. The estimated fair value of this facility is reported as support and expense in the period in which the facility is used.

Note 7) SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

The Council paid no interest expense or income taxes for the year ended December 31, 1995.

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
MORNINGSTAR, LOUISIANA

Notes to Financial Statements, Continued

(See Accountant's Compilation Report)

Note B) LEASED VEHICLE

The Council leased a vehicle under a non-cancelable two year operating lease on October 10, 1995. The Council paid 100% of the cost of the lease in advance. The portion of lease cost related to the current year is charged to operations and the portion of the lease cost applicable to future periods is included on the balance sheet.

Note B) ECONOMIC DEPENDENCE

The Council receives a substantial portion of its funding from a limited number of sources. Should one or more of these sources withdraw funding, the Council would not be able to sustain operations as it is presently structured.

SUPPLEMENTARY INFORMATION

**SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
THIBODOUX, LOUISIANA**

Schedule of Expenses

Year Ended December 31, 1995

(See Accountant's Compilation Report)

	Economic Development	General and Administrative	Total
Automobile expenses	\$ 2,930	\$ 131	\$ 3,061
Bank charges	-	57	57
Depreciation	13,695	2,331	16,026
Dues and subscriptions	2,614	-	2,614
Insurance	2,793	8,991	11,774
Meeting expense	4,615	243	4,858
Miscellaneous	-	1,436	1,436
Office expense	416	12,043	12,459
Personnel services	48,602	36,229	84,831
Postage	-	2,219	2,219
Professional fees	2,315	2,156	4,471
Rent expense for contributed facility	4,914	4,166	9,100
Seminar/conference sponsorship	16,414	-	16,414
Telecast production and advertising	16,517	72	16,589
Telephone	2,997	3,404	6,401
Training programs	3,831	-	3,831
Travel	16,515	-	16,515
Allocated overhead	7,350	(7,350)	-
Total expenses	\$ 150,938	\$ 66,146	\$ 217,084

SUPPLEMENTARY REPORT

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Management and Board of Directors
of the South Louisiana Economic Council

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of South Louisiana Economic Council and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the South Louisiana Economic Council's compliance with certain laws and regulations during the year ended December 31, 1995 included in the accompanying *Louisiana Affidation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of those procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Requirements of Funding Entities

1. Obtain from management copies of all funding agreements.

Management provided us copies of all funding agreements. For the grant from the Department Rural Development, no funding agreement exists, but we were provided with the application for funding that was approved by the Department of Rural Development.

2. Determine requirements of those entities with respect to expenditure of funds provided.

The wording of funding agreements and the application with the Department of Rural Development provide that the granted funds are, generally, granted to the Council for purposes of fostering economic growth and coordinating regional business development marketing efforts. The Council has complied with funding entity requirements as to the expenditure of funds provided by virtue of its operations.

3. We randomly selected six (6) transactions to verify compliance with the funding entities' requirements.

All disbursements tested applied to the general operations of the Council, which is the purpose for which the funds were granted to the Council. None of the disbursements selected were disbursed for purposes other than that of the Council's normal operations of fostering economic growth and coordinating regional business development marketing efforts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management and the Board of Directors of the South Louisiana Economic Council and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Bejamin & Company

June 20, 1995